



Irish Life Weekly Investment Bulletin

The week that was – WEEK 15 2018 (ending 13/04/2018)

“I will go anywhere as long as it is forward.” – David Livingstone

Irish consumer spending this year set to break through the €100bn record level – The Central Bank of Ireland has predicted continuation of strong economic growth (4.8% for 2018 and 4.2% in 2019) in its latest quarterly bulletin and said this will help drive a new record personal consumer spend of €103 billion in 2018.

Irish residential property prices rose by 13% in the year to February – The CSO reported that residential property prices at national level increased by 13% year-on-year in February compared to January's 12%, with Dublin prices up by 12.7%, the Rest of Ireland by 13.3% and the Midland region the highest with a 14.8% rise.

Global stock market up 1.6% on the week – The MSCI AC World TR Index showed a 1.56% rise from 6th April to 13th April, as trade tensions between China and the U.S. reduced after some conciliatory comments from Chinese President Xi Jinping and President Trump. The Vix closed the week at 17.41, down from 21.49.

FOMC March meeting minutes released – The minutes of the March meeting of the Federal Open Market Committee (FOMC) published showed strong confidence expressed in the U.S. economy, almost all the policymakers supported the 0.25% interest rate rise agreed and all expected 12-month inflation to rise.

German exports in February fall the most since 2015 – The National Statistics Office (Destatis) reported that exports in February dropped by 3.2% compared with January, the largest monthly fall since August 2015. Commentators mainly blamed the strong euro for the reduction. Analysts had expected an increase of 0.2%.

Oil prices hit highest level since 2014 – The latest tensions arising over Syria and possible military action by the U.S. pushed oil prices to their highest levels since November 2014, with Brent crude oil pushing above \$73 for the first time since then, when it was on its long way down from \$100 in June 2014 to \$45 in January 2015.

The Story of the week: A new pet in the house? Dublin company, Airsorted, the world's largest management company for Airbnb is now granting its employees 'pawternity' leave, if they wish to spend the week working from home so they can be with their new pet 24/7 to help them settle in. In pet-mad Manhattan, "peternity leave" has been around for a few years and Loftey and Mparticle offer leave, though ironically maternity leave isn't required by law in the U.S. In the UK, the aptly-named BrewDog brewery offers "puppy parental leave", as does Mars Pet Nutrition.

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Index Performances and Market Data*

Equity and Bond Markets % (in Local Currency)	2013	2014	2015	2016	2017	2018 YTD (to 13/04)
MSCI AC World (Gross TR)	26.2	9.9	1.8	9.7	20.4	-0.8
ISEQ Overall Return	35.8	16.8	33.6	-2.7	9.7	-4.8
FTSE 100 TR	18.7	0.7	-1.3	19.1	11.8	-3.8
Euro Stoxx 50 TR	21.5	4.0	6.4	3.7	9.2	-1.2
S&P 500 TR	32.4	13.7	1.4	12.0	21.8	-0.1
Nasdaq Composite	38.3	13.4	5.7	7.5	28.2	2.9
Nikkei 225	56.7	7.1	9.1	0.4	19.1	-4.3
MSCI Emerging Markets	0.9	2.6	-8.0	7.1	27.8	1.0
Eurozone Government Bonds 1–5 yr	2.1	3.4	1.0	0.9	-0.2	0.2
Sovereign 10yr Bond Yields (%)	2013	2014	2015	2016	2017	2018 YTD
U.S.	3.0	2.2	2.2	2.4	2.4	2.9
German	1.9	0.5	0.6	0.2	0.4	0.5
UK	3.0	1.9	1.9	1.2	1.2	1.5
Japan	0.7	0.3	0.2	0.0	0.0	0.0
Ireland	3.4	1.3	1.1	0.7	0.7	0.9
Italy	4.1	2.1	1.6	1.8	2.0	1.8
Greece	8.2	9.6	7.9	7.1	4.1	4.1
Portugal	6.1	2.7	2.5	3.8	1.9	1.7
Spain	4.1	1.6	1.7	1.4	1.6	1.3
Central Bank Rates (%)	2013	2014	2015	2016	2017	2018 YTD
ECB	0.25	0.05	0.05	0.0	0.0	0.0
Bank of England	0.25	0.50	0.50	0.25	0.50	0.50
U.S. Federal Reserve	0.25	0.25	0.50	0.75	1.50	1.75
Foreign Exchange Rates	2013	2014	2015	2016	2017	2018 YTD
Euro/Dollar (€/\$)	1.37	1.21	1.09	1.04	1.20	1.24
Euro/Sterling (€/£)	0.83	0.78	0.75	0.84	0.89	0.86
Sterling/Dollar (£/\$)	1.65	1.56	1.46	1.24	1.36	1.43
IPD All Property Return % (in Local Currency)	2012	2013	2014	2015	2016	2017
Ireland	3.1	12.7	40.1	25.0	12.8	8.1% (to end of Q4)
U.K.	2.7	10.7	17.8	13.1	3.6	10.3% (to end of Q4)
U.S.	5.3	11.4	11.2	12.1	7.8	7.1% (to end of Q4)

*Past performance is not a reliable guide to future performance